

**Process Development for Implementation of Voluntary Industry Initiatives  
In Lieu of Regulatory Actions**

**Stakeholders Meeting**

**October 27, 1999**

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## Background

### Use of Voluntary Industry Initiatives (VII) in the Regulatory Process

- SECY-99-063 (March 2, 1999) Proposed That VII Are Acceptable as a Substitute for NRC Regulatory Action.
  - < Action Needed to Meet Existing Requirements
  - < Increase Overall Protection with Justifiable Implementation Costs

## **Background (Con't.)**

- € Staff Requirements (SRM) - SECY-99-063 (May 27, 1999) Requested Staff To:
  - < Agreed VII Can Be Acceptable in Lieu of Regulatory Action
  - < Move Forward with Industry and Other Stakeholders to Develop Process and Guidelines
  - < Provide Results to Commission Prior to Implementation (May 2000)
  - < Address Concerns Regarding Enforcement and Potential Licensee Failure to Meet Commitments Stressed by Commission
  - < Decision-making Process to be Formalized
  - < Public Confidence to be Considered

## Definition of Voluntary Industry Initiative Approach

Types of Voluntary Industry Initiatives:

- € Those That Substitute for Regulatory Actions (e.g., GI's, Rulemaking, etc.) For Issues Within the Design Basis

  - < e.g., BWR Vessels and Internals Project (BWRVIP)

- € Those That Address Significant Issues (Including Risk-based) That Are Outside the Design Basis, but Are Justifiable as a Safety Enhancement

- € Those That Address Issues Which Are of Low Risk and Safety Significance, but Allow Significant Resource Savings to Staff and/or Industry

**Note:** Issues That Deal with Adequate Protection Are Addressed by the NRC.

## **Initiation of Voluntary Industry Initiatives**

- € How Initiated?
- € How Characterized in Terms of Significance?
- € What Is Threshold to Define a Voluntary Initiative?
- € Guidance Needed on Creating Time Lines for Establishment of Initiatives
- € What Level of Management (NRC and Industry) Pursues and Endorses Initiation of Initiative?
- € How Documented?

## **Identification of Staff and Industry Roles**

- € Need to Identify Staff and Industry Interfaces
  - < Contacts Should Include Naming of Lead Industry Management and Technical Contacts and NRC Management, Project Manager and Reviewer Leads
- € Nature of Initiative May Include:
  - < Staff Review and Approval of Topical Reports
  - < Staff Review and Comment on Industry Guideline Documents
  - < No Staff Reviews and Only Inspection Follow-up

## **Tracking**

- € Develop Guidance for Tracking Licensee Commitments
- € Tracking of Resources Included in the Fiscal Process and Operating Plan
- € Inform Stakeholders of Status



## **Planning and Resource Allocation**

- € Establish Process for Developing Industry and NRC Plans and Schedules to Support Budgeting and Resource Assessments
- € Establish Interface Contacts for Planning and Resource Allocations
- € Provide Data to Support NRC PBPM Budgeting Process

## **Fee Management**

- € Develop Appropriate Guidance for Assessment of NRC Fees That Involves Review of Proposal
  - < What Is the Criteria for Billing?
  - < Who Gets Billed?
  
- € Implementation of Tracking System for Fees
  - < Does it Fit into Present System?
  - < General Overhead Funding or Initiative-Specific?

## **Inspection and Monitoring Guidelines**

Establish Inspection and Monitoring Plan Based upon Program Committed to by Licensees

- € Include Tracking of Industry Commitments Associated with Voluntary Initiatives Used in Lieu of Regulatory Actions
- € Include Inspection Monitoring
  - < Use Risk-informed Baseline Inspection Program and Oversight Process
  - < Create Temporary Instructions (TIs) for Regional Inspectors
  - < NRR May Present Program to Regional Inspectors to Facilitate Uniformity

## **Voluntary Initiatives Inspection Flow Chart**

(Chart Not Included)

## **Public Participation**

Process Must Provide Forum for Public Participation and Reasonable Access to Information When Complementing or Substituting for a Regulatory Action.

- € Appropriate Information Is Available to Keep Public Informed and to Support Public Participation.
  - < Internet Availability of Voluntary Initiative Announcements, Reports, and Safety Evaluations
- € Issues Such as the Proprietary Nature of Material to be Addressed
- € Vehicle/Methodology Needed for Public Input and Comments

## Enforcement

- € SRM 99-063 States, “The Staff Has Indicated That it Will Assess the Enforceability of Commitments in the Development of the Voluntary Industry Initiative Process. As the Staff Proceeds with this Initiative, it Should Ensure the Guidelines, That Are Developed Regarding Enforcement, Are Consistent with the Proposed Reactor Oversight Process Improvements and Are Clearly Communicated to Our Stakeholders.”
- € Risk-informed Inspection Process Is Dependent upon Significance of Findings. Enforcement Criteria Below Are Consistent with the Pilot Program.
  - < Low to Moderate Risk Significant Issues Should be Identified to Licensee as Deviations from Commitments and Included in Corrective Action Program. For Safety-related Items Within Current Licensing Basis and Included in Appendix B Program, Findings Treated the Same Way as Any Other Non-compliance.
  - < Highly Risk Significant Issues and Willful Non-compliance with Committed Program Identified to Licensee and Actions Taken to Initiate Enforcement per Atomic Energy Act 182 and Issuance of 50.54(f) Letters and Orders, If Necessary.

## **Schedule for Finalizing Guidelines/Process**

May 27, 1999	SRM Issued
June 30, 1999	Discussion with NMSS Management Regarding Applicability
July 13, 1999	Meeting with OE/OGC to Discuss Enforcement Issues
September 8, 1999	Internal Stakeholders Meeting
October 12, 1999	Meeting Noticed and Information Placed on NRC Web
October 27, 1999	External Stakeholders Meeting
November 30, 1999	Federal Register notice Soliciting Comments by 01/15/2000
March 30, 2000	Guidelines/Process Drafted
May 24, 2000	Guidelines/Process Due to Commission